181071 S.A.

CALLISON TIGHE & ROBINSON, LLC

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COLUMBIA, SOUTH CAROLINA 29281C, PUBLIC SERVICE COMMISSION

July 31, 2006

ZIP CODE 29202-1390
PRESTON H. CALLISON
RETIRED
WALLACE E. TIGHE
(1914-1998)

ALSO ADMITTED IN FLORIDA

ECEIVE DF COUNSEL;

AUS 0 1 2006

ARTHUR J. KEPES
E-mail: latrindasimpson@ctrlawfirm.com

Charles Terreni, Chief Clerk and Administrator ATTN: Docketing Department Public Service Commission of South Carolina 101 Executive Center Drive, Suite 100 Post Office Box 11649 Columbia, SC 29210

Re: Managed Services, Inc.

Docket No. 2006-154-C Our File No.: 4490.001 S. C. PUBLIC SERMICE COMMISSION

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ECELVE

Dear Mr. Terreni:

Enclosed please find the original and one copy of Managed Services Inc.'s Motion to Amend Business Plan for filing regarding the above-referenced matter.

Please clock stamp the copy and return it to my office by using the self-address stamped envelope provided.

If you have any questions regarding aforementioned, please do not hesitate to contact me.

With kind regards, I am

Sincerely yours,

AUG 0 1 2006

CALLISON TIGHE & ROBINSON, L POCKETING DEPT

Latrinda D. Simpson

LDS/kas Enclosures

cc: Steve Magninnis (w/encls.)

Florence P. Belser, Esq. (w/ encls.) Leslie Hammonds, Esq. (w/encls) M. John Bowen, Jr., Esq. (w/encls) Margaret M. Fox, Esq. (w/encls)

4490.001\PSC.002

BEFORE

THE PUBLIC SERVICE COMMISSION OF

SOUTH CAROLINA

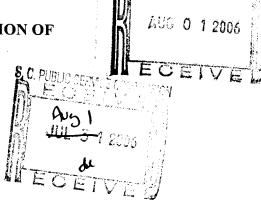
DOCKET NO. 2006-154-C

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IN RE:

Application of Managed Services, Incorporated for a Certificate of Public Convenience and Necessity to Provide Facilities Based Local Exchange, and Resold Local Exchange Services, Resold Long Distance Telecommunications Services and for Flexible Regulation of Its Local Exchange Services and Alternative Regulation) of Its Long Distance Service Offering



MOTION TO AMEND **BUSINESS PLAN**

PLEASE TAKE NOTICE that Managed Services Inc. ("Applicant" or "MSI") through its undersigned counsel, moves to amend it Business Plan and Pro Forma financial statement, and includes a financial statement letter in support of its amended plan. The Applicant submits this information as Exhibit 1, 2, and 3, respectfully, which are attached hereto and incorporated herein by reference. The Applicant respectfully requests that the aforementioned documents be incorporated as part of MSI's application for a Certificate of Public Necessity and Convenience and that the documents replace previously submitted documents which were attached to the original application filed on June 7, 2006.

I SO MOVE.

CALLISON TIGHE & ROBINSON, LLC

D. Reece Williams, Esquire Latrinda D. Simpson, Esquire

1812 Lincoln Street, Suite 100 & 200

Post Office 1390

Columbia, South Carolina 29201

(803) 256-2371 phone

(803) 256-6431 facsimile

Columbia, South Carolina July 31, 2006

I Inc

MSI BUSINESS PLAN

Executive Summary:

MSI, Managed Services, Inc. ("MSI") has been formed as a new company, solely owner and operated as an S corporation in NC. MSI is authorized to do business in SC.

MSI has its CLEC license in NC.

MSI will, through agreements and partnerships, provide multiple-media services to communities and subdivisions. We will design, engineer, install, and maintain facilities. Our primary focus will be in new subdivisions.

Our Marketing will be focused on Residential, Small Office/Home Office (SO/HO), and some Commercial. MSI will develop and maintain the community web site, as well as generate income by providing support services to residents and web advertising. Over the past 3 years, MSI has established relationships with various large developers in the Carolinas.

MSI began as a consulting firm for those wanting to provide Triple Play over Copper and Coax facilities. Former employees in the Communications and Cable TV business are excited about joining MSI or partnering to provide the expertise needed.

The SC CLEC license would be used as follows:

- 1. To negotiate Interconnect Agreements (ICA) with existing ILECS;
- 2. To engage in number portability/interconnect/and other arrangements as required by FCC, State Regulatory Staffs, and Commissions;
- 3. To connect between communities;
- 4. To establish fiber connect points between specific points for transport

Objectives:

Profit:

To produce sufficient profit to fund future growth via recurring revenue and to provide the resources needed to achieve other objectives of the company and investors.

Growth:

To grow the business at a challenging yet manageable pace. Growth is predicted to be at approximately 8-12 customers per month, per subdivision in the first year.

Citizenship:

MSI Plan:

- ✓ MSI will sign agreements with Developers to manage infrastructure engineering, construction, and cut over
- ✓ MSI will be the Developer's preferred provider
- ✓ MSI will maintain the infrastructure and record-keeping for a fee
- ✓ MSI will be able to purchase the facility 2 years after the buildout
- ✓ MSI will design the community web site and maintain for a monthly fee to the HOA
- ✓ MSI will have an agreement to install all the power/cable TV, and telco drops for all service providers
- ✓ MSI will sell wiring warranties, voice mail boxes, and sub out computer repairs
- ✓ MSI will work with the Developer annually re: Revenue share
- MSI will sub contract most of the technical aspects hrough partnerships and business relationships
 MSI would negotiate on behalf of the Developer for ISP, and Video providers

Mission:

Purpose:

MSI will provide state-of-the-art Fiber To The Home ("FFTH") technology at an affordable rate. Although mostly residential in nature, some small office and home office (SO/HO) services will be provided. According to recent studies, FTTH increases the Developer's property value and provides a unique marketing approach.

Vision:

By providing fast response, informed expertise, and consistently high quality solutions, MSI will generate satisfied repeat customers thus providing a stable retained base. This satisfaction will lead to long-term agreements.

Marketing:

MSI strives to be the total "multi-media manager" for voice, video, data. MSI will partner with local providers for a single point of contact for telephone service and repairs, High-speed internet with computer support, and Video.

Additional revenues will be obtained via web site development and the selling of advertising space on those sites.

Keys to Success:

Responsiveness:

A fast/quality response.

Quality:

Getting the job done right the first time.

Relationships:

Developing loyal repeat customers.

Company Summary:

(see spread sheet attached)

Company Ownership:

MSI is a solely-owned company. Our plans include the possibilities of offering "private shares" for investors. Current investors and loans would be of a non-equity nature

Company History:

History is short; however, several former industry employees have assisted in consulting services to other CLEC's.

Company Location:

At present I am working from my home at 672 Spyglass Way, Rock Hill, SC. Local offices will be established as needed to present a local presence in the communities served.

Our plan is to occupy office space in the local area or within the communities for easy access and quick response.

Start-Up Summary:

(See attached spreadsheet)

Columbia Area	Year 1	Year 2	Year 3	Year 4	Summary	% of Revenue
Revenues						70 07 200 00000
Recurring Rev Telecomm Res	\$11,544	\$23,088	\$46,166	\$93,323	\$174,121	25.0%
Recurring Rev Telecomm Bus	\$1,218	\$2,200	\$3,400	\$4,500	\$11,318	1.6%
Business Services (equip/lines)	\$4,290	\$6,500	\$8,500	\$1,100	\$16,100	2.3%
Misc Services (faxes/DA/ads/other)	\$2,808	\$3,200	\$6,600	\$7,200	\$17,000	2.4%
Web Site Mgmt	\$1,638	\$5,760	\$11,520	\$19,200	\$38,118	5.5%
PC Repairs/Line Ext	\$1,971	\$4,277	\$8,554	\$14,256	\$29,058	4.2%
VmailWiring Warranty	\$1,130	\$2,300	\$3,700	\$4,800	\$11,930	1.7%
Drop Contract 3 Utilities	\$17,640	\$38,000	\$64,000	\$84,000	\$203,640	29.2%
Project Mgmt	\$45,000	\$48,000	\$48,000	\$48,000	\$189,000	27.1%
Total Revenues	\$87,239	\$133,325	\$200,440	\$276,379	\$697,383	99.0%
Cost of Sales/Services	Year 1	Year 2	Year 3	Year 4	Summary	% of Revenue
Switching Services	\$8,424	\$9,800	\$12,500	\$14,800	\$45,524	6.5%
Vmail Services	\$780	\$948	\$1,896	\$3,168	\$6,792	1.0%
Drop Construction	\$14,400	\$32,000	\$44,000	\$45,000	\$135,400	19.4%
Cost of Sales-Tech Wages	\$2,160	\$11,000	\$18,000	\$24,000	\$55,160	7.9%
Cost of Sales- Commission	\$3,900	\$4,500	\$7,000	\$11,000	\$26,400	3.8%
Record Mgmt	\$5,500	\$400	\$400	\$0	\$6,300	0.9%
Cost of Sales- Admin	\$18,500	\$18,000	\$20,000	\$28,000	\$84,500	12.1%
Revenue Sharing w/Dev	\$4,000	\$12,000	\$23,000	\$35,000	\$74,000	10.6%
Total Cost of Sales/Services	\$57,664	\$88,648	\$126,796	\$160,968	\$434,076	62.2%
Gross Profit	\$29,575	\$44,677	\$73,644	\$115,411	\$263,307	
Expenses	Year 1	Year 2	Year 3	Year 4	Summary	% of Revenue
Salaries Expense	\$0	\$10,000	\$15,000	\$30,000	\$55,000	7.9%
Employee Salary Taxes	\$0	\$800	\$1,200	\$2,400	\$4,400	0.6%
Employee Benefit Programs Exp	\$0	\$500	\$650	\$700	\$1,850	0.3%
Office Space	\$3,500	\$3,500	\$11,400	\$11,400	\$29,800	4.3%
Travel Expense	\$1,000	\$1,500	\$2,500	\$5,000	\$10,000	1.4%
Lodging Expense	\$1,600	\$1,500	\$1,500	\$1,500	\$6,100	0.9%
Meals Expense	\$700	\$500	\$500	\$500	\$2,200	0.3%
Mail/Postage	\$300	\$800	\$1,200	\$1,200	\$3,500	0,5%
Advertising & Marketing Expense	\$1,200	\$1,500	\$2,000	\$2,500	\$7,200	1.0%
Dues and Subscriptions Exp	\$1,025	\$750	\$900	\$900	\$3,575	0.5%
Auto Expenses-Lease	\$3,500	\$3,000	\$6,000	\$6,000	\$18,500	2.7%
Auto Expenses-Gas	\$3,600	\$3,000	\$3,500	\$4,000	\$14,100	2.0%
Auto Expenses-Repairs	\$450	\$200	\$600	\$800	\$2,050	0.3%
Auto Expenses-Insurance	\$400	\$640	\$640	\$ 640	\$2,320	0,3%
Insurance Expense	\$0	\$0	\$0	\$ 0	\$0	0.0%
Utilities Expense	\$0	\$1,200	\$2,400	\$2,500	\$6,100	0.9%
Office Equipment	\$1,500	\$780	\$0	\$0	\$2,280	0.3%
Legal/Reg	\$8,500	\$3,500	\$1,800	\$1,800	\$15,600	2.2%
Furniture	\$0	\$1,200	\$500	\$0	\$1,700	0.2%
Supplies Expense	\$600	\$350	\$500	\$600	\$2,050	0.3%
Telephone Expense	\$780	\$800	\$800	\$800	\$900	0.1%
Licenses Expense	\$900	\$0	\$0	\$0	\$900	0.1%
Other Expense	\$1,500	\$200	\$200	\$400	\$2,300	0.3%
Total Expenses	\$31,055	\$36,220	\$53,790	\$73,640	\$194,705	27.9%
Net Income	-\$1,480	\$8,457	\$19,854	\$41,771	\$68,602	9.8%

	Columbia Area	Month 1	Month 2	Month 5	MORUS 4	Chital									
	Communication and the														
	Revenues	:	,	7776	6503	6740	80	\$1.036	\$1.184	\$1,332	\$1,480	\$1,628	\$1,776	\$13,544	13.2%
\$37.00	Recurring Rev Telecomm	\$148	\$256	2444	7567	2 2	9113	2112	8145	\$145	\$174	\$174	\$203	\$1,218	1.4%
\$29.00	Recurring Rev 2 La Telecomm	\$ 0	9	2	938	100	9110	Š	C4 40	\$405	\$550	\$605	3660	\$4,290	4.9%
\$55.00	Business Services (equip/lines)	\$23	2110	\$165	2770	C/76	9330	200	8913	681	0172	\$231	\$252	\$1,638	1.9%
\$3.00	Web Site Mgmt	\$21	242	\$63	284	\$105	\$170	214/	9100	6016	2250	300	5633	20 808	3.2%
\$9.00	Miso Services (faxes/other)	3 36	\$12	\$108	\$144	\$180	\$216	7675	2976	4776	0074	2703	9513	130	1.3%
\$6.50	VmzilWiring Warranty	625	\$5\$	\$87	\$52	265	20 S	1118	**************************************	7110	5913	5913	\$165	\$1.971	2.3%
\$52.00	PC Repairs	\$156	\$165	\$165	\$165	\$165	\$165	\$163	516	G :	614		95	017 640	30 30
\$245.00	Drop Contract 3 Utilities	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	\$1,470	51,470	21,470	074,16	£ 5	200,113	769 1.5
	Project Mgmt (cng/other)	20	8	03	\$10,000	\$10,000	\$10,000	80	S.	25,000	25,000	25,000	A .	242,000	100 0%
	Total Revenues	\$1915	\$2,213	\$2,502	\$12,785	\$13,087	\$13,389	\$3,682	\$3,964	\$9,237	89,539	\$9,812	\$5,114	\$87,239	
	!												Mark 13	Cumman	
	Cost of Sales/Services	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10	Mozetta 1.1	Month 12	Summer of the state of the stat	787.0
\$27.00	Switching Services	\$108	\$216	\$324	\$432	\$540	\$648	\$756	\$864	2012	\$1,080	51,188	31,290	*24°0¢	787
54.50	Enhanced Vinail Services/Misc	818	\$36	\$54	212	06\$	\$01\$	\$126	\$144	\$162	\$180	8618	\$216	\$1,40¢	1.0%
200 00	Dran Services	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	514,400	4.C.01
245.00	Out of Sales-Tech Water	\$180	\$180	\$180	2180	\$180	\$180	\$180	2180	5180	\$180	\$180	2180	\$2,160	4.C.7
2	Record Memt Software	\$2,500	\$3,000	B	05	93	80	S _S	S,	0 \$	9	S	24	\$2,500	6,3%
	Scientification of the State of	0\$63	0528	\$250	\$300	\$300	8300	5350	\$350	\$350	5400	\$400	2	55 56	4.5%
•	COSS Of SERS-COMMISSION	្តិ	000 13	000 15	\$1,000	\$1,500	\$1,500	\$1,500	\$2,000	\$2,000	\$2,000	\$2,500	\$2,500	\$18,500	21.2%
- ر	Revenue Sharing with Dev (2-3%)	8 8	95	80	ŝ	æ	8	20	S	SO	93	2	\$4,000	24,000	4.6%
		350 10	68 53	83 008	2	\$3.810	\$3,936	\$4,112	\$4,738	\$4,864	\$5,040	\$5,666	267.68	\$58,288	%8.99 %8.99
	Cross Profit	\$2,341	-\$3,669	-\$506	109'6\$	\$9,277	\$9,453	-\$431	-\$774	\$4,373	24,499	\$4,146	-\$4,678	156'823	
	•	1,000	Month 3	Month 3	Month 4	Month 5	Month 6	Mooth 7	Month 8	Month 9	Mouth 10	Month 11	Month 12	Summary	
	Expense	Material I	-	5	S	ş	05	8	8	S	S	2	9	8,	0.0%
	Salaries Expense	2 8	3 8	2 \$	3 5	, 2	8	8	S	S	8	SS.	8	8	0.0%
	Employee Salary 1 axes	2 6	3, 5	8 8	8	8	8	03	ş	8	8	3	0\$	S	0.0%
	Employee Bescut Floguanis Exp	2 5	8 8	8	8	S	0\$	9	\$700	\$700	\$700	S700	2200	\$3,500	4.0 %
	Travel Expense	: 2	8	8	8	ş	\$500	8	2	8	\$200	8	20	\$1,000	1.1%
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	Meals Promise	3100	2100	\$100	\$100	\$100	\$50	\$20	220	\$20	S.	2	8	\$700 5000	0.8%
	Mail/Postage	\$28	\$25	\$25	\$25	\$3	\$2\$	3	523	\$23	2 S	g £	(7 6	2000	44.8
	Advertising &Marketing Expense	3	\$200	S	ន	S	21,000	8 }	2 3	ž	3 5	š	: E	\$1.025	1.2%
	Dues and Subscriptions Exp	\$2\$	\$25	\$25	53 5	\$750	223	C S		9 9	2 200	8500	\$500	23,500	4.0%
	Auto Expenses-Lease	S,	8	ន	S (2 5	000	86	2300	26	2400	\$400	2400	\$3,600	4.1%
	Auto Expenses-Cas	\$200	\$200	2002	0076	3 8	3	8420	8	æ	S	æ	0\$	\$450	0.5%
	Auto Expenses-Repairs	B. 1	3 8	2 5	8 8	958	958	\$50	\$50	\$50	\$30	\$30	850	\$ 400	0.5%
	Auto Expenses-Insurance	2, 1	2 2	3 8	3 5	.	, 8	0\$	8	8	0%	œ,	90	8	0.0%
	Insurance Expense	3 , 8	3 8	3 2	8 8	G G	, O	9	a	80	08	20	05	S	0.0%
	Utilities Expense	3 8	3 5	;	\$1.500	S	S	9	05	Q.	0.50	8	8	\$1,500	%
	Ortice Equipment	3 5	\$ 5	8	8	\$6,000	ŝ	80	\$500	\$500	\$500	2300	\$200	\$8,500	6. 1.
	S. Maria	3 5	5	9	08	8	000	2	8	20	ŝ	80	8	æ	% 0.0 0.0
	ramma Full Files	3	2,05	S	\$20	\$50	\$50	\$50	\$30	8 20	\$50	22 0	850	2600	0.7%
	Telephone Ferrence	98	\$65	\$65	\$65	\$65	\$65	\$65	\$65	\$65	\$65	\$65	\$65 \$	5780	%5.0 - 06
	Timened Permits	S	90	\$900	2	98	0 S	25	20	8	8	20	O	2006	e 10.7
	Other Expense (welcont/directory)	\$100	2100	\$400	\$100	\$100	\$100	\$100	8100	2100	\$100	2100	\$100	000,18	200
		5953	\$765	\$1,963	\$2,265	\$7,640	\$2,865	\$1.815	\$2,565	\$2,665	\$3,115	\$2,415	\$2,415	\$31,055	35.6%
	WATER CONTRACTOR			į	755 14	61 637	888 93	.52.746	-\$3,339	\$1,708	\$1,384	\$1,731	-\$7,093	-\$2,105	
	Net Income	27.916	- 14 4 34	1/4/70-	2							:	000		



Branch Banking & Trust Co.

310 East John Street (28105) P.O. Box 127 Matthews, NC 28106

July 31, 2006

Mr. Steve Maginnis, President MSI 672 Spyglass Way Rock Hill, SC 29730

Mr. Recee Williams Callison, Tighe & Robinson, LLC 1812 Lincoln Street Columbia, SC. 29201

Gentlemen:

By way of this letter, BB&T confirms that MSI has a balance of \$25,190.18 in its business checking account.

Please let me know if you need any further assistance.

Sincerely,

Jarleis J. Waldron Marliss J. Waldron Vice President Business Banker

704-847-5124